

# **CITY OF HORSESHOE BAY**

## **CITY COUNCIL PUBLIC MEETING**

July 25, 2006

The Council of the City of Horseshoe Bay held a Public Meeting at City Hall, located at #1 Community Drive, Horseshoe Bay, Llano County, Texas, July 25, 2006, in accordance with duly posted notice of said meeting. Mayor Lambert called the meeting to order at 3:00 p.m. with a quorum of Council Members present as follows:

Robert W. Lambert, Mayor  
James E. Babcock, Mayor Pro Tem  
John Bird, Alderman  
Don Wood, Alderman  
Karen Wines, Alderwoman  
Buddy Schrader, Alderman

The posted agenda for this meeting is made a part of these minutes by attachment and the minutes are herewith recorded in the order the agenda items were considered with the agenda subject and item number shown preceding the applicable paragraph.

1. Call to Order and Establish a Quorum: Mayor Lambert called the Public Meeting to order at 3:00 p.m. with a quorum present. Reverend Johnny White from the Church at Horseshoe Bay led the invocation. Mayor Lambert then led the pledge of allegiance to the United States Flag and the Texas Flag.
2. Comments from Mayor: Mayor Lambert welcomed the guests and asked that anyone wishing to speak sign in and note the agenda item.
3. Comments from Aldermen: Alderman Wood announced that he will not seek reelection in November. Alderman Schrader also announced he will not seek reelection.
4. Public Comments: There were no Public Comments.
5. Recognition of Glenn Jones Professional Engineer Certification: Mayor Lambert presented Glenn Jones with his Professional Engineer Certificate and congratulated him on passing his exam. He also noted Glenn's title has been changed to Director of Public Works and City Engineer.
6. Items to be Removed from Consent Agenda: There were no items removed from the Consent Agenda.

7. Consent Agenda Items: Alderman Wood made a motion to approve the Consent Agenda Items as submitted:
- a. Approve Minutes of the June 20, 2006 Zoning Ordinance Workshop and the June 20, 2006 Public Meeting
  - b. Final Plat Approval:
    - i. Final Plat of Escondido, Lot No. 31 to be known as Escondido, Plat No. 3.1.
    - ii. Replat of Lot No. 51, Horseshoe Bay Applehead Island Plat No. 1.51 and a 3 foot strip out of the Robert Bratton Survey No. 1, to be known as Applehead Island Plat No. 1.51A.
  - c. Budget Revision for Capital Expenditure for Police Department Vehicle Replacement – Unit #3
  - d. Amendment to Platting Ordinance to Exhibit A – Llano County
  - e. Amendment to Building Permit Ordinance
  - f. Interlocal Agreement with Llano County for the Provision of Street Seal Coating and Maintenance
  - g. Approval of Building Permit for Cingular Wireless and Marriott Resort

The motion was seconded by Alderman Babcock. The motion passed by unanimous vote (5-0).

8. General Manager's Report: General Manager Mike Thuss reported the typical reports were included in their packet. He stated the City has \$8.9 million in all accounts; and the rate of return is 5.002%. Tax collections are 97.71% year to date. He thanked the Mayor and Council for their guidance with the Budget during the workshop and noted their recommended changes will be made to the Business Plan and the Budget the week of August 7th. In the Water Fund year to date revenues are above budget estimates; while operations and maintenance expenses are also above budget estimates; however, there is a positive budget variance of over \$320,000. In the General Fund year to date revenues are above budget estimates while operations and maintenance expenses are under budget. There is a positive budget variance of \$155,000. The capital program is on schedule and under budget. The Water Treatment Plant is complete and the contractor has moved off site. We anticipate a \$90,000 savings to be recognized. Construction cost the full amount estimated; but we had savings in engineering and materials testing, and savings from unused contingency. We still have the Administration Building to complete, but there are sufficient funds remaining to complete that building. Police and fire personnel have completed required boater safety classes. In the Utility Department, Jym Damico has received his Master Electrician License. In Development Services since May 1<sup>st</sup>, we have issued 44 building permits, fined 6 permits for violations of the ordinance, and settled 4 disputes over codes and construction techniques. Regarding the sales tax issue on the Verizon phone bills, this will be corrected and the City residents will no longer have to pay this tax. Mr. Thuss requested Council's permission to take out of City vacation from July 30<sup>th</sup> to August 4<sup>th</sup> and that Glenn Jones would be in charge during his absence. Alderman Babcock asked if we had coordinated with HSB POA on building permits that have exceeded one year and are not completed. General Manager Thuss stated there is a procedure in place for these permits.

9. Matern Island Water and Sewer Line Replacement: Glenn Jones stated this is a CIP project to replace water and sewer lines within the street right-of-way in conjunction with the Matern Island POA's contract to rehabilitate the roadway. The total project will cost \$225,000 and will require reallocating funds totaling \$125,000 from the Sewer Trunk Line Project. Alderman Wood made a motion to approve the agreement and also approve reallocating the additional \$125,000 for a total of \$225,000 needed to complete the project. The motion was seconded by Alderwoman Wines. The motion passed by unanimous vote (5-0).
10. Preliminary Plat Approval: Mayor Lambert stated there was one preliminary plat approval on the agenda. Alderwoman Wines asked if both lots are going to be used for building the house. Glenn Jones stated that is the case according to the submitted plans. Alderwoman Wines made a motion to approve the plat. The motion was seconded by Alderman Bird. The motion passed by unanimous vote (5-0).
11. November 7, 2006 City Council Elections: Mayor Lambert noted the first day to file for a place on the ballot for the November 7 City Council election is July 31 with the last day to file being August 29<sup>th</sup>. Early voting begins October 23<sup>rd</sup> and November 7<sup>th</sup> is Election Day.
12. Peddlers and Vendors Ordinance: Police Chief Bill Lane presented the Peddlers and Vendors Ordinance and noted all the assistance he had from area attorneys as well as City Attorney Monte Akers. Mayor Lambert stated the application fees will be \$100 and \$50 for each additional employee. Akers suggested removing Item 2 from Section 12. It was also suggested in Sec. 17 to change "next regular meeting" to read "next available meeting". Alderman Babcock made a motion to approve the Ordinance with the changes reflected in the record. The motion was seconded by Alderman Wood. The motion passed by unanimous vote (5-0).
13. Allied Waste Contract Renewal: After some discussion concerning the CPI increase and the additional increase requested due to the rise in the fuel index, the decision was made to place this on the August 22, 2006 agenda in order to obtain additional information. No decision was made, and no was vote taken.
14. Public Hearing Regarding Annexation of an 8.36 Acre Tract In Siena Creek: Mayor Lambert explained that State Law requires two Public Hearings be held for each annexation petition and they can be held back to back and we would have 4 Public Hearings today. He then convened the Public Hearing at 4:02 p.m. and asked for public comments. Chris Overstreet, the owner of the property, introduced himself and stated that he was available if there were any questions. There were no further comments. Mayor Lambert then adjourned the Public Hearing at 4:03 p.m.
15. Public Hearing Regarding Annexation of a 3.13 Acre Tract in Siena Creek: Mayor Lambert convened the Public Hearing at 4:03 p.m. He asked if there were any public comments and there were none. He adjourned the Public Hearing at 4:04 p.m.

16. Public Hearing Regarding Annexation of an 8.36 Acre Tract in Siena Creek: Mayor Lambert convened the second Public Hearing at 4:04 p.m. He asked if there were any public comments and there were none. He adjourned the Public Hearing at 4:05 p.m.
17. Public Hearing Regarding Annexation of a 3.13 Acre Tract in Siena Creek: Mayor Lambert convened the second Public Hearing at 4:05 p.m. He asked if there were any public comments and there were none. He adjourned the Public Hearing at 4:06 p.m.
18. Petition for Annexation and Service Agreement for 8.36 Acres of land in Llano County, Texas – Siena Creek: After some discussion regarding the proper zoning for the subject property, City Attorney Monte Akers noted that due to the fact the property adjacent is zoned multi-family this property can also be zoned multi-family. Chris Overstreet agreed that this is what he desired and there were restrictive covenants that would authorize this if the Council concurred. Alderman Babcock made the motion to approve the Petition for Annexation and the Service Agreement and confirm the zoning to be consistent with the zoning in the present Zoning Ordinance. The motion was seconded by Alderman Schrader. The motion passed by unanimous vote (5-0).
19. Petition for Annexation and Service Agreement for 3.13 Acres of land in Llano County, Texas – Siena Creek: Alderman Bird made the motion to approve the Petition for Annexation and the Service Agreement and confirm the zoning to be consistent with the zoning in the present Zoning Ordinance. The motion was seconded by Alderman Schrader. The motion passed by unanimous vote (5-0).
20. Public Hearing Regarding the Proposed Amendments to the Comprehensive Development Plan: Mayor Lambert convened the Public Hearing at 4:11 p.m. He then asked for Public Comments and there were none. He adjourned the Public Hearing at 4:12 p.m.
21. Amendments to Comprehensive Development Plan: Mayor Lambert stated these amendments are appropriate to get the Comprehensive Development Plan 100% consistent with the Zoning Ordinance now in effect. Alderman Wood made the motion to approve the revised Comprehensive Development Plan. Alderman Babcock seconded the motion. The motion passed by unanimous vote (5-0).
22. Discussion of Forming a Committee to Lead Evaluation of a Possible Sales Tax: Mayor Lambert stated he would like the Council to discuss forming a Committee of three Horseshoe residents to lead an evaluation of a possible city sales tax to determine if this is something the City should pursue. He noted the Budget Workshop was held yesterday and the City did not need additional funds; however, if a sales tax was implemented it would be offset by reducing the Ad Valorem tax. He would recommend that the committee complete the evaluation within six months, provide written reports for publication on the City website and newspapers and hold at least one public meeting. After some discussion, the decision was made that the Mayor would have a proposal in writing for the Council to review at the August 22<sup>nd</sup> meeting.

23. Discussion of Forming a Committee to Lead Evaluation of Possible Ordinance Related to Lifestyle Issues: Mayor Lambert noted that he has had requests from residents for the City to consider enacting Ordinance for “Lifestyle Issues” such as deer feeding, fireworks, noise, signage, animal control, etc. He would like to form another committee to review a list of such issues. The committee would be asked to complete the evaluation within one year, provide written reports for publication on the City website and newspapers and hold public meetings. After some discussion, the decision was made that the Mayor would have a proposal in writing for the Council to review at the August 22<sup>nd</sup> meeting.
24. Wastewater Service to Krumm Ranch: Mayor Lambert introduced Kelly McBeth representing Krumm Ranch who explained their plans for development of this area. She stated this is a 415 acre planned development being designed by RVI to be called CK Ranch. They are considering forming some form of General Law District. It would allow the developer to reimburse himself for infrastructure costs. There was some discussion as to whether they are in the ETJ of the City of Horseshoe Bay and if so they would need the City’s approval to form a General Law District. They do anticipate being annexed into the City of Cottonwood Shores at some point in the future. Bob Richardson, President of RVI, spoke briefly on the design layout of the development. Burnet County Commissioner, James Oakley stated a discussion of this development is on their August 14, 2006 agenda.
25. Discussion Regarding Process to Engage Outside Auditor: The Mayor made the request that the City go through formal proposal process for an outside auditor. The decision was made for staff and the Mayor to begin this process and return with recommendations to the Council in two months.
26. Proposed Tax Rate: Mayor Lambert stated the Budget Workshop was held July 24, 2006, and there will be no increase in the \$0.50 tax rate. There is a possibility of restructuring the water rates allowing the Ad Valorem tax rate to possibly be lowered. The possible lowering will be discussed at the future budget workshop. Alderman Babcock made the motion to propose an Ad Valorem Tax Rate of \$.50/\$100 taxable valuation for the year 2006. The motion was seconded by Alderman Wood. The motion passed by the following vote (4-0-1): Ayes: Alderman Babcock, Alderman Bird, Alderman Wood and Alderman Schrader; Abstentions: Alderwoman Wines.
27. Schedule a Public Hearing on Proposed Tax Rate: Mayor Lambert stated the next regular City Council meeting is August 22, 2006 at 3:00. He would like to hold the Public Hearing for the Proposed Tax Rate at this time. The Mayor proposed that the second Public Hearing be scheduled for September 5, 2006 at 9:00 a.m. with the second Budget Workshop immediately following. Then the Budget and the Tax Rate will be approved at the September 19, 2006 Council meeting. Alderwoman Wines made a motion to approve the meeting dates as proposed. Alderman Wood seconded the motion. The motion passed unanimously (5-0).

28. P & Z Commission: Alderwoman Wines restated her opinion that a Planning and Zoning Commission is important to the development of the City or a least a committee of citizens to work with the Resort on plans for the CapRock Zone and the HSB Blvd. Zone. Alderwoman Wines made the motion to form a committee in order to be involved in discussions with the Resort concerning their plans for these areas. The motion failed for lack of a second.
29. Adjournment: Alderman Wood made a motion to adjourn. Alderman Schrader seconded the motion. The motion passed by unanimous vote (5-0) and the meeting was adjourned at 4:55 p.m.

/S/  
Robert W. Lambert, Mayor

/S/  
Toni Vanderburg, City Secretary